

NEXTEL HAS NO NEED FOR FEDERAL UNIVERSAL SERVICE FUNDING IN FLORIDA

The following information was compiled from Nextel's Securities and Exchange (SEC) Report:

	September 30, 2003 Annualized ¹
• Cost of Service	\$1,624,000
• Cost of Handsets and Accessories	\$1,387,000
• Selling, General and Administrative	\$3,356,000
• Depreciation and Amortization ²	\$1,685,000
• Return on Property and Equipment	\$1,848,000 ³
• Taxes	<u>\$ 52,000</u>
• Total	\$9,952,000
• Lines Served	12,329
• <u>Estimated Annual Cost Per-Line</u>	<u>\$807</u>
• <u>Estimated Annual Revenues per-line without Florida federal support</u>	<u>\$845⁴</u>

Nextel's average annual revenue per-line covers Nextel's estimated annual costs of \$807 per-line. **Consequently, Nextel has no need for federal universal service funding in Florida.**

¹ Amounts from September 30, 2003 report divided by .75.

² This amount appears to include Nextel's license, customer list and goodwill amortizations.

³ Nextel's Net Investment is estimated to be the Net Property and Equipment of \$8,802,000 plus Inventories of \$213,000 plus Net Licenses(Intangible Assets) of \$6,937,000 plus other current assets of \$150,000 plus Other assets \$327,000, for a total of \$16,429,000 as of September 30, 2003 from the Nextel SEC report. The Federal return on net investment of 11.25% times \$16,429,000 is \$1,848,000.

⁴ September 30, 2003 operating revenues of \$7,814,000 divided by .75 to annualize divided by the lines served.